November 7, 1985

To: Lowell P. Braxton, Administrator
THRU: D. Wayne Hedberg, Permit Supervisor
FROM: Thomas J. Suchoski, Geologist

RE: American Consolidated Mining, Gold Hill Operations, Tooele

County, Utah

On September 24, 1985, Tom Suchoski of the Division staff visited the American Consolidated Mining Company's operations in the Gold Hill area of Tooele County, Utah. The inspection was based upon location information provided in the Declaration of Exemption and ACT filings with the Division of Oil, Gas and Mining.

Three sites were found during the inspection of the American Consolidated properties. First, in section 1, Township 8 S, Range 18 W a small DOE was located. This site consists of a less than two acre disturbance with two adits, a spoil pile, and a roughly graded pad and access road. The site is bisected by an ephemeral stream channel which has been encroached upon by the pad. The site is posted with proof of labor certificates for American Consolidated Mining in 1984 and Steven J. Haslam for 1985. The area surrounding the site is disturbed by old adits and spoil piles which are most probably pre-act. Two photographs were taken of the site.

The second site visited was the American Consolidated Mining mill facility just west of the town of Gold Hill in Section 35, Township 7 South, Range 18 West. It is located off the access road to Cain Spring and consists of a crusher, mill seperating facility, and a series of three tailings ponds. The operation does not appear to have been active within the last year. There is much debris and trash that should be cleaned up. If the site is not to be used it should be reclaimed or at least put on temporary suspension.

Cain Spring is located approximately 1/2 mile up the canyon from the mill site. The spring site consists of a 10,000 gallon water tank and a water line that apparently flows down to the Gold Hill area or possibly to the mill site. There appears to be some structures for cattle watering and the capability of filling a water

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truck at the the site. At one point in time there was a culvert that crossed the creek to the facilities. The culvert has been washed out and is no longer in place. The facilities are still in operation and there is a small discharge from a hose connected to the top of the tank. Presently that discharge consists of approximately 1/2 gallon a minute. One photograph of the facility was taken.

In section 24 of Township 8 South, Range 18 West, a third operation was found. The claim marker posted indicated that the claimes were in the name of Steven J. Haslam. These are the same claims which were identified earlier in section 1. Previously, this operation was posted by American Consolidated Mining. These were filed the same date as the ones in section 1.

The shop facilities area consists of a small semi-trailer, a large diesel tank, and a generator of indeterminent size. The operation itself is a pit on the far north side of the hill. A Mr. Don Sullivan is the supervisor for the operation. He was in Salt Lake during the site visit. Discussion with the field personnel indicate that they were under the impression that all of the paper work had been taken care of. I left them my card and ask them to have Mr. Sullivan contact me when he returns. In turn, they gave me Mr. Sullivan's address and phone number, so that if he didn't get back to me I could contact him.

The field personnel indicated that this was Arnes America Incorporated, Yellowhammer Pit. Present disturbance of the pit consists of approximately three and half to four acres. Activities at the site were ongoing. Equipment at the site consisted of two 77C loaders, one D-8 Cat, and one rock drill. There is a crusher facility and lamps for night work along with a Spiro compressor. A panoramic set of pictures of all facilities and equipment was taken. They are presently hauling ore out to a mill in Nevada, the field personnel could not tell me which mill or where. It is recommended that this operation be addressed for additional consideration as to acquiring a permit and complied with.

In the old town site of Cliffton Section 25, Township 8 South, Range 18 West, another American Consolidated property was found. This one also had the name of Steven J. Haslam posted on 1985 claim sheets. The facilities consisted of a leach pad and two collection ponds, a storage house and a semi-trailer that probably serves a shop facility, within a fenced enclosure. Outside of the fenced enclosure is a house trailer that is apparently used

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seasonally for rooming. The site does not look like it was long abandoned. No one was presently working at the site, however, in looking down the drainage there were several bits of debris and trash that had either rolled or washed into the drainage from the site (a fifty five gallon drum and assorted paraphanalia). Also, there is an oil spill, from the maintenance yard by the semi-trailer, that flows outside of the enclosure and across the road. It does not yet infringe upon the drainage. Photographs was taken of the debris in the stream channel, the spill across the road, and the facilities associated with the site.

These sites correspond with several previously visited by Sue Linner, Tom Tetting, Wayne Hedberg and Dave Hooper in October of 1984. It is my recommendation that Mr. Bill Mouller and Mr. Don Sullivan be contacted by the Division and that they be requested to provide the Division with a report of the status of all operations. Mr. Mouller should describe all operations that are currently under the control of American Consolidated Mining and Mr. Sullivan provide the description of the status of all operations associated with Arnes American Incorporated. The information regarding the status of these operations should include: a map showing the current facilities that American Consolidated or Arnes America consider as required for future operation, a description of the future intent of each company regarding the properties, and a demonstration of the methods by which each company will comply with the Utah Mined Land Reclamation Act. This information should be reviewed by the Division and the operations permitted.

jvb cc: John Whitehead 0150R-91